

**US LBM HOLDINGS, LLC (“US LBM”) SUPPLIER PURCHASE ORDER
TERMS & CONDITIONS**

1. Each PO shall be deemed accepted by Supplier if any shipment of Products is made, performance of services commences or if the PO is signed by Supplier.
2. Supplier will not reject a PO unless it has provided at least thirty (30) days prior written notice that it will no longer accept a PO after a specified date.
3. Supplier agrees that all PO’s received from US LBM must be acknowledged by approved electronic methods.
4. Supplier agrees that payment terms for all Products shall be as negotiated and agreed upon by both Supplier and US LBM; and may be contingent on payment from a US LBM customer. Payment of Supplier invoices shall be in accord with the agreed upon payment term and commences only upon full and complete receipt of all lines and quantities as specified in the Purchase Order(s). Incomplete shipments of Purchase Orders will delay invoice payment.
5. Supplier agrees to provide a current and signed Certificate of Insurance reflecting the required insurance coverages and provisions as stated below. If you do not have a current Certificate of Insurance on file, please remit one to: US LBM Director of Insurance and Risk Management at Kyle.Drawdy@uslbn.com, or to such other recipient as US LBM may hereafter designate in writing. All Insurance Certificates must show policy numbers, valid effective and expiration dates.
6. As a Supplier partner to US LBM, Supplier agrees to continuously strive to procure and provide products whose wood fiber is sourced only from legally harvested, well managed, and sustainable forests. Upon request, Supplier shall provide written certification of its compliance with applicable laws and such other documentation as to the origin of its products and/or sustainability efforts as may be required by US LBM or US LBM’s customer(s).
7. Supplier shall remain in compliance with the most recent version of the US LBM Supplier Code of Conduct, found here: <https://uslbn.com/wp-content/uploads/Supplier-Code-of-Conduct.pdf>.
8. At US LBM’s request, Supplier must provide the most recent product catalog in an excel spreadsheet to its assigned representative from US LBM’s Sourcing Department (“US LBM Representative”).
9. Supplier must submit a volume shipped report to its US LBM Representative every quarter. Reports may also be requested by the US LBM Representative at any other time.
10. US LBM expects all employees and Suppliers to conduct themselves and associated business transactions with the highest levels of honesty, integrity and ethical behavior. As such, all incentive programs, rewards, trips, gifts, etc. must have the appropriate sourcing management approval prior to acceptance or participation.
11. US LBM may terminate all or part of any order issued hereunder at any time prior to shipment by providing written notice to Supplier. Such termination shall be without cost, expense or liability to Supplier; provided however that if the order includes any custom or special order items that cannot reasonably be resold by Supplier to other customers, and if fabrication has already commenced or cannot be terminated without additional out of pocket cost to Supplier, then US LBM shall, at its election, either (i) pay the reasonable out of pocket costs incurred by Supplier to cancel or terminate such custom or special order, or (ii) pay the specified price for such items and take delivery thereof as

scheduled. Notwithstanding the foregoing, if US LBM terminates such order as the result of Supplier's failure to meet the defined schedule, specifications or performance requirements for such order as established by US LBM or US LBM's customer, then US LBM shall not be required to pay any such out of pocket or associated costs.

12. Supplier warrants and guarantees that the design, manufacture and packaging (including all weights, measures, signs, legends, descriptions, label warnings and disclaimers), pricing and other conditions of sale of the Products comply with all applicable federal, state, provincial, and local laws, codes, ordinances, rules, regulations and requirements of the country of origin, the country of transit, the jurisdiction of intended sale or use, all local certification standards and requirements and any other applicable country or jurisdiction. The inspection or approval by US LBM of any of Supplier's designs, materials or packaging shall not relieve Supplier from any of its warranty obligations and such warranties, representations and conditions shall survive inspection, installation and acceptance by US LBM and US LBM's customers. Supplier agrees that US LBM may freely assign this warranty and any other warranty made by Supplier to US LBM's customers who take ultimate ownership of the Products.
13. Supplier shall procure and maintain the insurance coverage detailed below in the forms and amounts described therein including without limitation commercial general liability insurance, products liability, completed operations and contractual liability coverage, in each case on an occurrence basis. Supplier shall issue (or direct its insurer or agent to issue) a broad form endorsement naming US LBM as additional insured under the policies described herein. Supplier agrees that its insurance policy shall be the primary policy with respect to any loss. Supplier agrees to deliver to US LBM by Supplier's insurer a current certificate of insurance, including renewals before the expiration of the then-current coverage, evidencing the coverage required by these Terms and Conditions as well as US LBM's status as additional insured. Supplier further agrees that upon notice of a claim against US LBM involving products or goods sold by Supplier to US LBM, Supplier will immediately and without delay notify all applicable insurance carriers providing coverage for said claim. Thereafter, Supplier agrees to keep US LBM fully informed of all activity, including but not limited to providing US LBM with all correspondence, and action taken with regarding to any claim by any insurance carrier. In addition, Supplier shall provide, or require that its insurer shall provide, to US LBM thirty (30) days prior written notice of non-renewal, cancellation or other change in coverage which may impair or otherwise affect US LBM's rights thereunder. The purchase of insurance and the furnishing of certificates as required in the Terms and Conditions shall not be in satisfaction of Supplier's obligations hereunder or in any way modify or limit Supplier's agreement to indemnify, defend and hold US LBM harmless as required herein. Any modifications to the required insurance forms and amounts listed below must be agreed upon in writing on a form executed by both parties.

Supplier agrees that all of its insurance will be written by an insurance company which is rated in the most recent edition of Best's Key Rating Guide (Property-Casualty edition) or such other rating agency guide reasonably acceptable to US LBM as the equivalent of A-VII or better. The insurance coverage shall satisfy the following standards:

General Liability Insurance

- Occurrence-based policy
- \$5,000,000 Each Occurrence
- \$5,000,000 General Aggregate
- These amounts may be satisfied by any combination of underlying and excess coverage.
- Only the general liability certificate must list the following additional insured wording in the description area as follows: “US LBM Holdings, LLC and its direct and indirect Parent, Subsidiary and Affiliated Companies, and its and their respective Officers, Directors, Agents and Employees are Additional Insureds as their interest may appear.”

Auto Liability Insurance

- \$2,000,000 combined single limit
- Type of auto policy covers (must be all owned, any auto and/or scheduled autos)

14. To the maximum extent permitted by applicable law, Supplier shall indemnify, defend and hold harmless US LBM and its affiliates, subsidiaries, directors, officers, employees and agents, from any and all claims, lawsuits, fines, losses, civil penalties or actions, costs, liabilities, damages and expenses (including attorneys’ fees) incurred or to be incurred, which may be brought against US LBM by any person, corporation, government, government agency, class or any other entity whatsoever, arising or alleged to have arisen out of (a) the death or injury to any person (including any employee or agent of Supplier) or property damage which resulted or is alleged to have resulted from any acts or omissions of Supplier, its employees and agents, contractors, subcontractors and/or any other persons for whose conduct it may be or is alleged to be legally responsible or from the merchandise or its marketing, sale, rental or use, (b) the failure of Supplier to fully comply with any warranties, guarantees, or representations of Supplier hereunder, including the failure of Supplier to comply with all applicable laws, (c) any breach or alleged breach of this Agreement, (d) the Products, or (e) the infringement of any patent, design, trade name, trademark, copyright, trade secret or any other right or entitlement of a third party.

US LBM shall cooperate in the defense of any claim for which indemnity is sought under these Terms and Conditions. Supplier shall maintain control of the defense of any action brought pursuant to this section, but Supplier agrees to comply with the following requirements in connection with the conduct of the defense of any claim in which US LBM has been named a party: (1) Supplier shall choose defense counsel that is reasonably satisfactory to US LBM and (2) Supplier shall use reasonable efforts to keep US LBM informed of all material information pertaining to the claim. Supplier shall not enter into any settlement or compromise of the claim that would result in injunctive relief, financial liability or the admission of liability by US LBM without first obtaining US LBM’s prior written consent. If US LBM determines that separate counsel is appropriate, US LBM will be entitled to retain separate counsel at Supplier’s expense.

15. Supplier shall, as part of each request for payment and/or invoice (other than the initial request for payment and/or invoice), furnish claim releases and lien waivers with respect to all materials supplied

through the date of the immediately preceding request for payment and/or invoice in the form required by the US LBM and the contract documents for the applicable Project.

16. A default by Supplier on or under an Order with US LBM may constitute a default on any other Order with US LBM, such determination to be made by US LBM in its sole discretion. Subcontractor expressly agrees that US LBM may retain and offset monies due and owing from Subcontractor to US LBM under an Order on any other Order between US LBM and Subcontractor.
17. Any and all taxes, fees, imposts, or stamps, required by state, federal, local governments, or any such governmental authority in the selling, transferring, or transmitting of Goods to US LBM shall be paid and assumed by Supplier. The Supplier indemnify US LBM against all such taxes including penalties and interest that are claimed from US LBM.
18. US LBM shall not be bound by any assignment of any Order by Supplier unless US LBM has consented prior thereto in writing.
19. In the event the Consumer Product Safety Commission or other federal, state, or local agency (the "Commission") issues an order pursuant to any consumer protection law (hereinafter referred to as the "Act") requiring either US LBM or Supplier to recall, replace, repair or make refunds with respect to all or part of any Goods (a "Recall"), Supplier shall do so at its expense (including without limitation, reimbursements to US LBM for its "out-of-pocket" expenses) in a reasonable manner. Supplier shall notify US LBM within three (3) days of its receipt or knowledge of a recall notice or order.